

State of Misconsin LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX PLEASE DO NOT REMOVE FROM DRAFTING FILE

Date Transfer Requested: 11/04/2013

(Per: MGG)

™Compile Draft – Appendix D

Appendix A ™ The 2013 drafting file for LRB-3187

Appendix B [□] The 2013 drafting file for LRB-3195

Appendix C [™] The <u>2013</u> drafting file for LRB–3199

Appendix D [™] The <u>2013</u> drafting file for LRB–3273

(all Rep. Mursau drafts)

have been copied/added to the drafting file for

2013 LRB-3547

2013 DRAFTING REQUEST

DIII							
Receiv	ed: 9	/27/2013		Re	eceived By:	mglass	
Wante	d: A	s time permits		Sa	ame as LRB:		
For:	J	effrey Mursau (6	08) 266-3780	Ву	y/Representing:	Himself	
May C	ontact:			Di	rafter:	mglass	
Subjec	et: N	at. Res parks a	and forestry	A	Addl. Drafters:		
				E	xtra Copies:		
Carbon Pre To	-	il: Rep	S .Mursau@legis 	.wisconsin.g	ov		
	ged forest	law revisions by t	he council on fo	restry; eligib	ility; open/closed	i lands	
Instru	ections:						
See at	tached. I	tems #5, 6, 7, 8, 9	, 10, 11, and 18				
Drafti	ing Histo	ry:					
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required
/?	mglass 10/9/201	3					
/P1		evinz 10/17/201	rschluet 3 10/18/2013		sbasford 10/18/2013		
FE Se	nt For:						

<END>

2013 DRAFTING REQUEST

Bill

Received:

9/27/2013

Received By:

mglass

Wanted:

As time permits

Same as LRB:

For:

Jeffrey Mursau (608) 266-3780

By/Representing: Himself

May Contact:

Drafter:

mglass

Subject:

Nat. Res. - parks and forestry

Addl. Drafters:

Extra Copies:

Submit via email:

YES

Requester's email:

Rep.Mursau@legis.wisconsin.gov

Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

Topic:

Managed forest law revisions by the council on forestry; eligibility; open/closed lands /

Instructions:

See attached. Items #5, 6, 7, 8, 9, 10, 11, and 18

Drafting History:

Vers. Drafted

Reviewed

Proofed

Required

/?

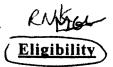
mglass

Submitted

Jacketed

FE Sent For:

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Proposed Revision 5: Allow small acreage withdrawals without full description withdrawal.

transfer

Current Situation: Landowners are allowed to withdraw lands from MFL if they are (1) an entire parcel of MFL lands (not necessarily the same as a tax parcel), (2) all MFL lands within a quarter-quarter ection, or (3) all MFL lands within a government lot or fractional lot. Lands that are transferred to a new wher must meet MFL eligibility requirements. Transferred lands not meeting these criteria must be withdrawn from MFL. Most MFL withdrawals are due to splits in ownership and the transfer of parcels less than 10 acres in size.

Proposed Modifications:

Allow landowners to withdraw small acreage to be used for building site or land sale without impacting remaining MFL land eligibility provided remainder meets minimum acreage eligibility.

Limit the number of times a small acreage can be withdrawn during an order period (in part to prevent withdrawal as subdivision developments) to a maximum of 1 withdrawal for lands under a 25 year MFL order and 2 withdrawals for lands under a 50 year MFL order.

Landowner would pay normal withdrawal tax, as proposed in the "Reduce/restructure withdrawal taxes and fees" modification but only on acres removed.

Allowed withdrawals would be in whole withdrawal acres and limited in size to 1.0 to 5.0 acres and meet minimum zoning requirements.

Retroactive: In effect for all present and future MFL entries.

Conclusion: The CoF agreed to move this issue forward with recognition this be allowed to a limited extent per MFL order.

Proposed Revision 6: Allow the sale or transfer of a portion of a MFL legal description without having to withdraw the entire legal description prior to ownership transfer.

77.88(2)

Current Situation: Lands transferred to new owners during the order period must meet all eligibility requirements in place for initial enrollment. The lands must also be transferred as an entire quarterquarter section, fractional or government lot, or an entire parcel. Lands that do not meet all of the eligibility criteria must be withdrawn from the MFL program. An owner looking to sell a portion of a MFL description is required to withdraw the entire legal description and pay the withdrawal fees.

77. 8821. Eliminate provisions requiring only entire legal descriptions be transferable while still in the MFL.

Coordinate continued MFL eligibility requirements for transferred and retained portions of the legal description with proposed modifications related to minimum eligibility size and the provision to Allow exempt withdrawal of limited unproductive acreage if splits in ownership cause lands to no longer meet productivity requirements.

Retroactive: This will be retroactive for all existing entries.

Conclusion: The CoF agreed to move this issue forward for legislative consideration.

Proposed Revision 7: Allow lands to remain in MFL or allow exempt withdrawal if natural events cause lands to no longer meet productivity requirements.

Current Situation: MFL lands must meet eligibility requirements for initial enrollment and continued eligibility, including (1) 10 or more acres, (2) at least 80% productive forest, (3) no more than 20% unsuitable/unproductive forest, (4) not developed for commercial recreation, industry, trade, or other land use incompatible with the practice of forestry, (5) not developed as a human residence. Lands that do not meet these criteria must be withdrawn from the MFL program. The number of withdrawals due to lands not meeting productivity requirements after natural events is low, however it is expected that the number may increase as a result of invasive species such as the Emerald Ash Borer.

Proposed Modifications:

- Establish the ability for lands to exceed the non-productive level for a designated amount of time to provide for restoration of forest productivity levels, and/or allow exempt withdrawal if reason for the lands exceeding non-productivity levels is due to a natural event (flooding, insect, disease, etc., to be further defined by DNR in administrative code).
- At the end of enrollment period (25 or 50 years) any lands not meeting productivity requirements would not be allowed to be re-enrolled.
- Administrative code could identify the amount of time allowed for MFL lands to be brought back into compliance with eligibility requirements.

Retroactive: This will be retroactive for all existing and future entries.

Conclusion: The CoF agreed to move this issue forward for legislative consideration.

Proposed Revision 8: Allow exempt withdrawal of limited unproductive acreage, if splits in ownership cause lands to no longer meet productivity requirements.

Current Situation: MFL lands must meet eligibility requirements for initial enrollment and continued eligibility, including (1) 10 or more acres, (2) at least 80% productive forest, (3) no more than 20% unsuitable/unproductive forest, (4) not developed for commercial recreation, industry, trade, or other land use incompatible with the practice of forestry, (5) not developed as a human residence. Lands that do not meet these criteria must be withdrawn from the MFL program. Lands that were enrolled as larger ownerships with orders that met productivity requirements at the time of entry occasionally no longer qualify after a land transfer and MFL order division.

Proposed Modifications:

- Maintain provisions requiring transferred (sold and still under MFL) lands must meet the 80/20 productivity eligibility requirements, but allow exempt withdrawal of the minimum acres needed in order for the parcel to meet productivity requirements.
- Require that only the minimum amount of unproductive acres be allowed to be withdrawn in order to allow remaining parcel(s) to meet 80/20 productivity eligibility requirements. This would be an exempt withdrawal.

Retroactive: This would be in effect for existing and new MFL lands.

Conclusion: The CoF agreed to move this issue forward for legislative consideration.

Proposed Revision 9: Increase minimum acreage entry size allowed.

Current Situation: The minimum acreage for enrollment in MFL is 10 contiguous acres. Of these 10 acres, 80% of the lands must meet productivity requirements, and no more than 20% of the lands can be unsuitable for producing timber products. None of the lands can be developed for commercial recreation, industry, trade or a human residence. The minimum size of 10 acres was established because the expired Woodland Tax Law (WTL) had a 10 acre minimum.

77.82 (1)(am)

Proposed Modifications: Increase the minimum size requirements for new MFL entry or parcel size to Stacres. Maintain the 10 acre minimum eligibility requirement.

Prospective: The proposal would affect new entries and re-enrollments only.

Conclusion: The CoF agreed to move this issue forward with recognition that further analysis may be warranted to examine impacts in certain areas of Wisconsin where small woodlots are prevalent and important to maintain.

Proposed Revision 10: Allow additions to existing MFL entries regardless of entry year.

Current Situation: Landowners who enrolled lands in MFL in 2004 and earlier are unable to add lands to these MFL Orders. The legislature addressed the inability to add lands to a 2004 or earlier MFL Order by creating the ability to withdraw the 2004 and earlier entry, and re-enroll those same acres with the additional acreage to be added under a 2005 and later MFL entry. A withdrawal tax is not issued in these situations. Landowners are taxed using the 2005 and later formulas. A new 25 or 50 year term would be in effect. Withdrawal taxes include the time the lands were enrolled in the 2004 and earlier order until the time the original MFL Order would normally have expired. DNR is required to track past withdrawals and re-designations.

Proposed Modifications:

- Modify the references to the 2005 change in the MFL program when the change in tax calculation formula became effective.
- Modify the requirements that after April 28, 2004 lands that meet eligibility requirements must be
 enrolled as new entries. Any additions to an existing entry would expire the same year as the
 original order. Eliminate the withdrawal and re-designation application process.
- Acreage added to an existing MFL entry is taxed at same rate as the initial acreage and treated the same for withdrawal fee calculations.
- Additions would only be for contiguous acreage and not for acreage able to stand alone and still be eligible to be entered into the MFL.

Retroactive: Changes in how to process withdrawal taxes would be made retroactive to reduce the tracking of Withdrawals and Re-designation MFL Orders, and the additional withdrawal tax calculations needed if lands are withdrawn early from the MFL program. This provision allows for new additions to existing MFL orders.

77.82

(4g)

Conclusion: The CoF agreed to move this issue forward subject to it being limited to otherwise ineligible, contiguous lands.

Proposed Revision 11: Eliminate lands containing improvements with assessed values. Except those improvements for land management purposes (culverts, fences, bridges, roads).

Current Situation: Landowners may enroll lands with buildings that are used for working or recreating on the MFL property. Buildings are taxed as personal property. DNR withdraws lands from MFL if personal property taxes become delinquent. Buildings used for a human residence must not exceed 4 of the 8 building characteristics as outlined in NR 46, Wis. Admin. Code, except that buildings created prior to 2004, when DNR announced in the Forest Tax and Stewardship Newsletter that landowners enrolled in MFL prior to the 1997 statute change and who had not already built a human residence needed to abide by the NR 46 building requirements. Previously existing structures on MFL lands exceeding the NR 46 building requirements have been allowed to remain in the MFL program until expiration. Many cabins are upgraded or homes built new to allow for human residences and habitation. This has the appearance of lands not being compatible with the practice of forestry, making it difficult for the public to support. Buildings meeting the building criteria and landscaped also provide difficulties in determining if MFL lands with buildings can remain in the MFL program.

Proposed Modifications:

Change statutory provisions to eliminate entry of lands with improvements. Purput
Eliminate references to the building requirements. Will need to keep this provision for those MFL entries that are already enrolled and will be grandfathered up to a specific date identified in the statute.

• Include wording on the property tax rolls to show lands with improvements are not allowed after the effective date of the MFL change. Similar wording would be added to statutory provisions for withdrawal of lands for failure to pay personal property taxes.

Set whole acre exclusion area surrounding any buildings. Set #5

Prospective: This would be in effect for all new entries.

Conclusion: The CoF agreed to move this issue forward for legislative consideration.

Leasing and Open/Closed

Proposed Revision 17: Allow small landowners to close lands regardless of acreage.

Current Situation: Under current law, landowners enrolled in the MFL are allowed to close 160 acres of land to public recreation, of which only 80 acres or two legal descriptions per municipality may be lands enrolled in 2004 or earlier. This acreage limitation encourages landowners to subdivide property into different ownerships in order to legally close as much land as possible. In some situations, lands are subdivided and land-locked properties are created. The land-locked properties are taxed under MFL as open to public recreation; however there is no legal entry into the lands, making it inaccessible to the public. Landowners whose intent is to close as much land to public recreation as possible have many legal means to create different ownerships in order to close 160 acres per ownership per municipality. The ability to create different ownerships results in the majority of lands enrolled in MFL by non-industrial private landowners to be closed to public recreation. The additional number of owners in entities such as LLCs, Trusts, Partnerships, etc. also increases the number of MFL applications.

Proposed Modifications: Eliminate the closed acreage limitation. The provision to remove the closed acreage limitation would allow landowners the ability to close lands to public recreation without having to create LLCs, trusts, other non-natural entities, or combinations of natural persons.

Even though this modification is contrary to the original intent of the law, it addresses the issue generating the largest number of complaints to the DNR; MFL participants navigating around the closed acreage limit.

Prospective: This provision would apply to landowners who are entering or renewing lands into MFL. Landowners already in the MFL would not benefit from this modification.

Conclusion: The CoF hesitantly, by consensus, agreed that this modification addresses the process of "gerrymandering" ownerships to increase closed acreage. The CoF also agrees with the value of MFL lands open for public use and as such recognizes the conflict with this and the proposed modification.

Proposed Revision 18: Require landowners to identify access for the public, equivalent to the landowner's access, to lands open to the children the children to the children t

(Small landowners who cannot provide access to open lands would lose their MFL-open tax status.)

Current Situation: Landowners may close up to 160 acres of land to public recreation with the intent remaining lands are open to public recreation. Many landowners have learned to create multiple ownerships in order to close lands to public recreation. However; some of these ownerships are developed in a manner where lands open to public recreation are surrounded by other ownerships closed to public recreation, even though the same landowner or groups of landowners may have interests in both ownerships. This situation allows for lands open to public recreation to be effectively land-locked, making it difficult for the public to realize the benefits of recreating on MFL - Open lands.

Proposed Modifications: Create a provision requiring a landowner to identify access to lands open to public recreation equivalent to the access the landowner uses, or deny them the ability to enroll or maintain lands as "MFL-Open". (Landowners who cannot provide evidence of legal access to open lands would lose their open tax status and be required to pay the closed MFL acreage rate.) This would apply to any land-locked MFL legal description.

MFL ownerships categorized by the DNR as large landowners would be provided with a mechanism to allow exceptions given the inherent possibility that over large acreages managed for timber production that a small amount of land may have access limited to the occurrence of forest management activities. This exception would also recognize the large acreage of publically accessible lands associated with these owners. In addition, designated large landowners would not be allowed the option to close lands to public use (other than as currently provided by the MFL for temporary periods).

Retroactive: Retroactive for existing landowners in the MFL program and prospective for new enrollments.

Conclusion: The CoF agreed to move this issue forward for legislative consideration.

Proposed Revision 19: Repeal prohibition on recreational leasing for small landowners.

do not draft Current Situation: MFL landowners are not allowed to receive consideration for recreation activities on MFL lands. Consideration can be in the form of cash, goods or services. Recreational users, including hunters, may give MFL landowners gifts as a thank you for recreating on private lands. The leasing prohibition was effective on January 1, 2008. Many MFL landowners who leased lands for recreation lost income with the January 1, 2008 leasing prohibition. Between 1986 and 1992, leasing of MFL lands for recreation was not allowed since leases were determined to be akin to having commercial recreation. In 1992, a change in Wis. Admin. Code allowed lands to be leased since most leases did not affect the development of the lands, and lands were left in a natural state, continuing to be managed for forestry purposes.

Proposed Modifications: Permit leasing including other agreements for consideration (reimbursement) allowing persons to engage in a recreational activity. This provision would reverse the 2008 legislation, allowing small landowners the ability to lease lands again.

This reinstatement would exclude DNR designated large ownerships where leasing would not be allowed consistent with the previous revision requiring large ownerships to be open for public use.

Retroactive: This provision would be retroactive.

Conclusion: The CoF agreed to move this issue forward for legislative consideration.



State of Misconsin 2013 - 2014 LEGISLATURE





PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION



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AN ACT ...; relating to: the sale or transfer of managed forest land, orders adding and withdrawing managed forest land, eligibility requirements under the managed forest land program relating to parcel size and production of merchantable timber, buildings located on managed forest land, areas of managed forest lands that are open for public access, and granting rule—making authority.

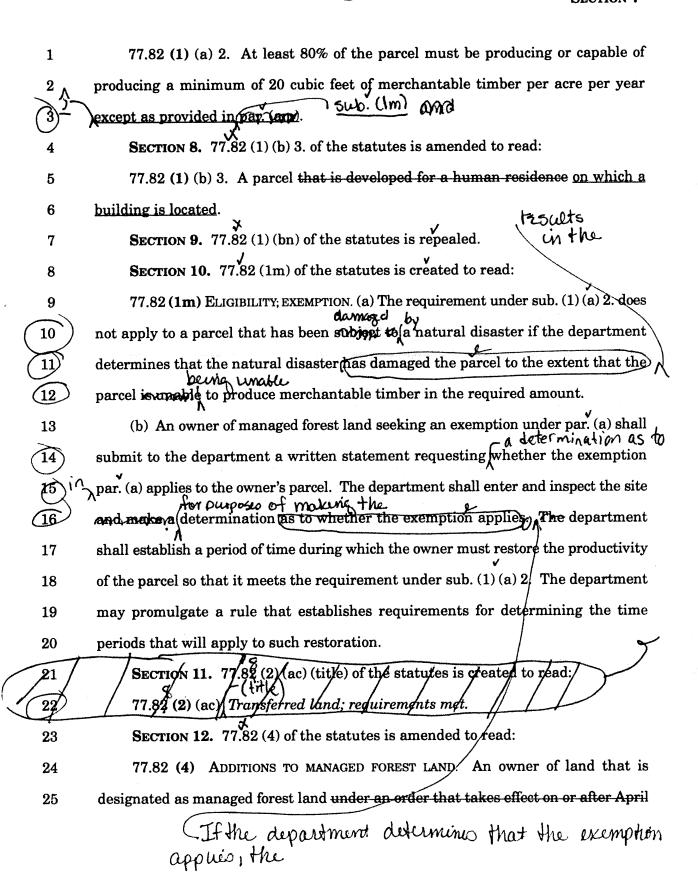
Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- SECTION 1. 77.81 (1) of the statutes is renumbered 77.81 (1h).
- SECTION 2. 77.81 (1d) of the statutes is created to read:
- 9 77.81 (1d) Building" means a permanent structure having a roof supported by posts, columns, or walls.

	√
1	SECTION 3. 77.81 (2r) of the statutes is created to read:
2	77.81 (2r) "Large parcel" means a parcel that is designated as managed forest
3	land and that exceeds 1,000 acres in size.
4	SECTION 4. 77.81 (4m) of the statutes is created to read:
5	77.81 (4m) "Natural disaster" means fire, ice, snow, wind, flooding, insects,
6	or disease.
7	SECTION 5. 77.82 (1) (a) 1. of the statutes is amended to read:
8	77.82 (1) (a) 1. It consists of at least 10 contiguous acres, except as provided in
9	this subdivision. The par. (am). This subdivision applies to applications under subs.
10	(2), (4m), or (12) that are filed before the effective date of this subdivision LRB
11	inserts datel.
12	(am) For purposes of par. (a) 1. and 1m., the fact that a lake, river, stream or
13	flowage, a public or private road or a railroad or utility right-of-way separates any
14	part of the land from any other part does not render a parcel of land noncontiguous.
15	If a part of a parcel of that is at least 10 the minimum number of contiguous acres
16	specified in par. (a) 1. or 1m. is separated from another part of that parcel by a public
17	road, that part of the parcel may be enrolled in the program, even if that part is less
18	than 10 minimum number of acres specified in par. (a) 1. or 1m., if that part it meets
19	the requirement under subd. 2. and is not ineligible under par. (b).
20	SECTION 6. 77.82 (1) (a) 1m. of the statutes is created to read:
21	77.82 (1) (a) 1m. It consists of at least 20 contiguous acres, except as provided
22	in par (am). This subdivision applies to applications under subd. (2), (4m), or (12)
23	that are filed on or after the effective date of this subdivision [LRB inserts date].
94	Section 7 77 82 (1) (a) 2 of the statutes is amended to read:



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1 28, 2004, may file an application with the department to designate as managed forest 2 land an additional parcel of land if the additional parcel is at least 3 acres in size and 3 is contiguous to any of that designated land. The application shall be accompanied by a nonrefundable \$20 application recording fee unless a different amount for the 4 fee is established by the department by rule at an amount equal to the average 5 6 expense to the department of recording an order issued under this subchapter. The fee shall be deposited in the conservation fund and credited to the appropriation 7 8 under s. 20.370 (1) (cr). The application shall be filed on a department form and shall 9 contain any additional information required by the department.

SECTION 13. 77.82 (4g) of the statutes is repealed.

SECTION 14. 77.83 (A) (d) of the statutes is created to read:

 $e^{77.83}$ (d) $\bar{1}$. An owner of managed forest land that is designated as open shall insure that the public has access to that land for all of the purposes specified in par-(a). The method of access and location of the access shall be equivalent to the method of access and the location of the access that is used by the owner of the land. If the owner is unable to provide such access, the department shall modify the designation of the land to which there is no public access from being open to be) being closed.

2. Notwithstanding subd. 1., an owner of a large parcel may request a waiver limit public access to a portion of the land that is designated as open. The department shall grant the waiver if the department determines that it necessary to close that portion of land to public access for the purpose of timber harvesting, thinning, and reforestation and other forest resource management activities.

****Note: This is my initial attempt at drafting language to implement proposed revisiona #18.

SECTION 15. 77.87 (1g) (d) of the statutes is repealed.

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_1	SECTION 16. 77.874 of the statutes is created to read:
2	77.874 Buildings prohibited. Beginning on the effective date of the section
3	[LRB inserts date], no person may construct, reconstruct, remodel, or improve any
4	building that is located on land that is designated as managed forest land.
5	SECTION 17. 77.88 (2) (a) (title) of the statutes is created to read:
6	77.88 (2) (a) Authority to transfer.
7	SECTION 18. 77.88 (2) (a) (intro.) of the statutes is renumbered 77.88 (2) (a) and
8	amended to read:
9	77.88 (2) (a) Except as provided in par. (am), an Anowner may sell or otherwise
10	transfer ownership of all or part of the owner's managed forest land if the land
11	transferred is one of the following: parcel.
12	SECTION 19. 77.88 (2) (a) 1. of the statutes is renumbered 77.88 (3) (a) 1.
13	SECTION 20. 77.88 (2) (a) 2. of the statutes is renumbered 77.88 (3) (a) 2.
14	SECTION 21. 77.88 (2) (a) 3. of the statutes is renumbered 77.83 (3) (a) 3.
15	SECTION 22. 77.88 (2) (ac) (title) of the statutes is created to read:
16	77.88 (2) (ac) (title) Transferred land; requirements met.
17	SECTION 23. 77.88 (2) (am) (title) of the statutes is created to read:
18	77.88 (2) (am) (title) Transferred land; requirements not met.
19	SECTION 24. 77.88 (2) (b) of the statutes is amended to read:
20	77.88 (2) (b) Remaining land: requirements met. If the land remaining after
21	a transfer of part of a parcel under par. (a) is contiguous and meets the eligibility
22	requirements under s. 77.82 (1) (a) 2. and (b), it shall continue to be designated as
23	managed forest land until the expiration of the existing order, even if the parcel
24	contains less than 10 acres the minimum number of acres specified in s. 77.82(1)(a)
25	1. or 1m. Notwithstanding s. 77.82 (12), an owner may not file an application with

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the department for renewal of the order if the parcel contains less than 10 acres the 1 minimum number of acres specified in s. 77.82 (1) (all or 1m. No withdrawal tax 2 under sub. (5) or withdrawal fee under sub. (5m) may be assessed when the 3 remaining land is withdrawn at the expiration of the order. 4 SECTION 25. 77.88 (2) (c) of the statutes is amended to read: 5 77.88 (2) (c) Remaining land: requirements not met. If the land remaining land 6 after a transfer of part of a parcel under par. (a) does not meet the eligibility 7 requirements under s. 77.82 (1) (a) 2. and (b), the department shall issue an order 8 9 withdrawing the land and shall assess against the owner the withdrawal tax under sub. (5) and the withdrawal fee under sub. (5m). Notwithstanding s. 77.90, the owner 10 is not entitled to a hearing on an order withdrawing land under this paragraph. 11 SECTION 26. 77.88 (2) (d) of the statutes is created to read: 12 77.88 (2) (d) (title) Report by transferee; fee. 13 SECTION 27. 77.88 (2) (e) of the statutes is renumbered (2) (ac) 1. and amended 14 15 to read: 77.88 (2) (ac) 1. The transferred If the land transferred under par. (a) meets the 16 eligibility requirements under s. 77.82 (1), the land shall remain managed forest 17 land if the transferee, within 30 days after the transfer, certifies to the department 18 an intent to comply with the existing management plan for the land and with any 19 amendments to the plan, and provides proof that each person holding any 20 encumbrance on the land agrees to the designation. The transferee may designate

an area of the transferred land closed to public access as provided under s. 77.83. The

department shall issue an order continuing the designation of the land as managed

forest land under the new ownership.

rand
SECTION 28. 77.88 (2) (f) of the statutes is renumbered 77.88 (2) (ac) 2. amended
to read:
77.88 (2) (ac) 2. If the transferee does not provide the department with the
certification required under par. (e) subd. 1., the department shall issue an order
withdrawing the land and shall assess against the transferee the withdrawal tax
under sub. (5) and the withdrawal fee under sub. (5m). Notwithstanding s. 77.90,
the transferee is not entitled to a hearing on an order withdrawing land under this
paragraph.
SECTION 29. 77.88 (3) (title) of the statutes is amended to read:
77.88 (3) (title) Voluntary withdrawal: LARGE PARCELS.
SECTION 30. 77.88 (3) of the statutes is renumbered 77.88 (3) (a) (intro.) and
amended to read:
77.88 (3) (a) (intro.) An owner may request that the department withdraw all
or any part of the owner's land meeting one of the requirements specified under sub.
(2) (a) 1. to 3. if the land is one of the following:
(b) If any remaining land meets the entire parcel will be withdrawn or if any
land that will remain after the withdrawal will continue to meet the eligibility
requirements under s. 77.82 (1), the department shall issue an order withdrawing
the land subject to the request and shall assess against the owner the withdrawal
tax under sub. (5) and the withdrawal fee under sub. (5m). * 7 as created by 2013 Wisconsin Act 2015 SECTION 31. 77.88 (3g) (title) of the statutes is amended to read:
SECTION 31. 77.88 (3g) (title) of the statutes is amended to read:
77.88 (3g) (title) Withdrawal for Voluntary withdrawal; construction of a
RESIDENCE. X WISCOSIN A + 20.
RESIDENCE. SECTION 32. 77.88 (3g) (a) of the statutes is repealed. Wisconsin Act 207

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****NOTE: I repealed the definition of "parcel" in s. 77.88 (3g). This definition applies only to that subsection. "Parcel" is not defined by statute for the purpose of the rest of the subchapter. Also, I think the definition does not quite work in this subsection since the term "parcel" is used in the context of withdrawing land subject to an order, as opposed to land that may have been described in the original application.

SECTION 33. 77.88 (3g) (am) (intro.) of the statutes is amended to read:

77.88 (3g) (am) (intro.) Except as a second sec

77.88 (3g) (am) (intro.) Except as provided in par. (b), upon the request of an owner to withdraw at least one acre of the owner's land as managed forest land, the department shall order withdrawal of the land if all of the following apply:

SECTION 34. 77.88 (3g) (c) of the statutes is created to read:

77.88 (3g) (c) Upon issuance of an order of withdrawal under the subsection, against the department shall assess the owner the withdrawal tax under sub. (5) and the withdrawal fee under sub. (5m).

SECTION 35. 77.88 (3j) of the statutes is created to read:

77.88 (3j) VOLUNTARY WITHDRAWAL; OTHER CONSTRUCTION; SMALL LAND SALES. (a) Except as provided in par. (b), upon the request of an owner to withdraw part of a parcel of the owner's land, the department shall order withdrawal of the land if all of the following apply:

- 1. The purpose for which the owner requests that the department withdraw the land is for the sale of the land or for a construction site, other than a construction site for a human residence.
- 2. The land to be withdrawn equals is not less than 1.0 acres and not more than 5.0 acres. Partial acres may not be withdrawn.
- 3. If the land is subject to a city, village, town, or county zoning ordinance that establishes a minimum acreage for ownership of land or for a building site, the owner requests that the department withdraw not less than that minimum acreage.



****NOTE: The language immediately above is an attempt to implement the concept that these withdrawals must "meet minimum zoning requirement." See proposed revision #5.

(b) 1. For land that is designated under an order with a term of 25 years, the 1 department may not order a withdrawal under par. (a) if the department has 2 previously ordered a withdrawal under par. (a) from that same parcel of managed 3 forest land during the term of the order. 2. For land that is ternate) managed forest land under an order with a term of 50 years, the department may not order withdrawal under par. (a) if the department has previously ordered 2 withdrawals under par. (d) from that same parcel of managed forest land during the term of the order. (c) Upon issuance of an order of withdrawal under the subsection, the department shall assess the owner the withdrawal tax under sub. (5) and the 10 withdrawal fee under sub. (5m). 11 **SECTION 36.** 77.88 (3k) of the statutes is created to read: 12 77.88 (3k) VOLUNTARY WITHDRAWAL; PRODUCTIVITY. Upon the request of an owner 13 to withdraw part of a parcel of the owner's land, the department shall issue an order 14 of withdrawal if the department determines that the parcel unable to produce 15 merchantable timber in the amount required under s. 77.8\$ (1) (a) 2. The order shall 116 withdraw only the number of acres that is necessary for the parcel to resume its 17 ability to produce the required amount. No withdrawal tax under sub. (5) or 18 withdrawal fee under sub. (5m) may be assessed. 19 SECTION 37. 77.88 (5) (ab) 1. of the statutes is amended to read: 20 77.88 (5) (ab) 1. "Expanded order" means an order approved under s. 77.82 (8) 21 for which an application is filed under s. 77.82 (4g) (b), 2011 stats. 22 **SECTION 38.** 77.88 (5) (ab) 2. of the statutes is amended to read: 23

1	77.88 (5) (ab) 2. "Original order" means the order from which designated land
2	is withdrawn as authorized under s. 77.82 (4g) (b), 2011 stats.
3	SECTION 39. 77.88 (5m) of the statutes is amended to read:
4	77.88 (5m) WITHDRAWAL FEE. The withdrawal fee assessed by the department
5	under subs. (1) (c), (2) (ac) 2 (am), and (c), and (f), (3), (3g), (3j), and (3m) shall be
6	\$300. A as affected by 2013 Wisconsin
7	SECTION 40. 77.88 (8) (b) of the statutes is amended to read:
8	77.88 (8) (b) The department may not order withdrawal of land remaining after
9	a transfer of ownership is made under par. (a) 1., 2., or 3., after a lease is entered into
10	under par. (a) 3., or after the department orders withdrawal of land under sub. (3g)
11	(am) unless the remainder fails to meet the eligibility requirements under s. 77.82
12	(1).
13	Section 41. Initial applicability.
14	(1) Buildings. The treatment of section 77.82 (1) (b) 3. of the statutes first
15	applies to initial applications, applications that are filed to convert forest croplands,
16	and applications for renewals that are filed on the effective date of this subsection.
17	(DAID)

Drafter's Note FROM THE LEGISLATIVE REFERENCE BUREAU

dale

LRB-32737dn MGG:

PPU

- 1. This draft includes proposed revisions 5, 6, 7, 8, 9, 10, 11, and 18.
- 2. As drafted, all of the changes in s. 77.88 applies to existing and future managed forest land orders. OK?

 WSCONSIL
- 3. Section 77.88 (3g), which was enacted in 2013/Act 20, is silent as to whether the owner must pay the withdrawal tax. However, since an owner is required to pay the tax under s. 77.88 (3) and (3m) under current law and under s. 77.88 (3k), which is created in this bill draft, I have added a provision requiring an owner to pay the withdrawal tax and fee for a withdrawal that is subject to s. 77.88 (3g). Let me know if you want it removed.
- 4. I was unsure as to exactly was the intent of proposed revision #10. The draft simply repeals s. 77.82 (4g). If more is needed, please call me to discuss this. Wis.
- 5. I was unsure as to the scope of proposed revision #11. For future orders and renewals, land will not be eligible if there is a building located on the land. I have incorporated the definition of building that is found NR 46.15 (1m) adm. code. See s. 77.81 (1d). If you want to limit this prohibition to human residences, the draft will need to be changed. Also, the draft does not contain any language regarding terminology to be included on the tax rolls or amending s. 77.88 (3m) because I do not think such language is necessary.
- 6. Finally, there are embedded notes in this draft to assist you in your review.

Mary Gibson-Glass Senior Legislative Attorney Phone: (608) 267-3215

E-mail: mary.gibson-glass@legis.wisconsin.gov

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3273/P1dn MGG:eev:rs

October 17, 2013

- 1. This draft includes proposed revisions 5, 6, 7, 8, 9, 10, 11, and 18.
- 2. As drafted, all of the changes in s. 77.88 apply to existing and future managed forest land orders. OK?
- 3. Section 77.88 (3g), which was enacted in 2013 Wisconsin Act 20, is silent as to whether the owner must pay the withdrawal tax. However, since an owner is required to pay the tax under s. 77.88 (3) and (3m) under current law and under s. 77.88 (3j), which is created in this bill draft, I have added a provision requiring an owner to pay the withdrawal tax and fee for a withdrawal that is subject to s. 77.88 (3g). Let me know if you want it removed.
- 4. I was unsure as to exactly what was the intent of proposed revision #10. The draft simply repeals s. 77.82 (4g). If more is needed, please call me to discuss this.
- 5. I was unsure as to the scope of proposed revision #11. For future orders and renewals, land will not be eligible if there is a building located on the land. I have incorporated the definition of "building" that is found in NR 46.15 (1m), Wis. Adm. Code. See s. 77.81 (1d). If you want to limit this prohibition to human residences, the draft will need to be changed. Also, the draft does not contain any language regarding terminology to be included on the tax rolls or amending s. 77.88 (3m) because I do not think such language is necessary.
- 6. Finally, there are embedded notes in this draft to assist you in your review.

Mary Gibson-Glass Senior Legislative Attorney Phone: (608) 267-3215

E-mail: mary.gibson-glass@legis.wisconsin.gov



State of Wisconsin 2013 - 2014 LEGISLATURE



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

AN ACT to repeal 77.82 (1) (bn), 77.82 (4g), 77.87 (1g) (d) and 77.88 (3g) (a); to renumber 77.81 (1), 77.88 (2) (a) 1., 77.88 (2) (a) 2. and 77.88 (2) (a) 3.; to renumber and amend 77.88 (2) (a) (intro.), 77.88 (2) (e), 77.88 (2) (f) and 77.88 (3); to amend 77.82 (1) (a) 1., 77.82 (1) (a) 2., 77.82 (1) (b) 3., 77.82 (4), 77.88 (2) (b), 77.88 (2) (c), 77.88 (3) (title), 77.88 (3g) (title), 77.88 (3g) (am) (intro.), 77.88 (5) (ab) 1., 77.88 (5) (ab) 2., 77.88 (5m) and 77.88 (8) (b); and to create 77.81 (1d), 77.81 (2r), 77.81 (4m), 77.82 (1) (a) 1m., 77.82 (1m), 77.83 (2) (d), 77.874, 77.88 (2) (a) (title), 77.88 (2) (ac) (title), 77.88 (2) (am) (title), 77.88 (2) (d) (title), 77.88 (3g) (c), 77.88 (3j) and 77.88 (3k) of the statutes; relating to: the sale or transfer of managed forest land, orders adding and withdrawing managed forest land, eligibility requirements under the managed forest land program relating to parcel size and production of merchantable timber,

	buildings located on managed forest land, areas of managed forest lands that			
are open for public access, and granting rule-making authority.				
	Analysis by the Legislative Reference Bureau This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.			
	The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:			
	SECTION 1. 77.81 (1) of the statutes is renumbered 77.81 (1h).			
	SECTION 2. 77.81 (1d) of the statutes is created to read:			
	77.81 (1d) "Building" means a permanent structure having a roof supported			
	by posts, columns, or walls.			
	SECTION 3. 77.81 (2r) of the statutes is created to read:			
	77.81 (2r) "Large parcel" means a parcel that is designated as managed forest			
	land and that exceeds 1,000 acres in size.			
	SECTION 4. 77.81 (4m) of the statutes is created to read:			
	77.81 (4m) "Natural disaster" means fire, ice, snow, wind, flooding, insects, or			
	disease.			
	SECTION 5. 77.82 (1) (a) 1. of the statutes is amended to read:			
	77.82 (1) (a) 1. It consists of at least 10 contiguous acres, except as provided in			
	this subdivision. The par. (am). This subdivision applies to applications under sub.			
	(2), (4m), or (12) that are filed before the effective date of this subdivision [LRB			
	inserts datel.			
	(am) For purposes of par. (a) 1. and 1m., the fact that a lake, river, stream or			
	flowage, a public or private road or a railroad or utility right-of-way separates any			
	part of the land from any other part does not render a parcel of land noncontiguous.			

1	If a part of a parcel of that is at least 10 the minimum number of contiguous acres
2	specified in par. (a) 1. or 1m. is separated from another part of that parcel by a public
3	road, that part of the parcel may be enrolled in the program, even if that part is less
4	than 10 the minimum number of acres specified in par. (a) 1. or 1m., if that part it
5	meets the requirement under subd. 2. and is not ineligible under par. (b).
6	SECTION 6. 77.82 (1) (a) 1m. of the statutes is created to read:
7	77.82 (1) (a) 1m. It consists of at least 20 contiguous acres, except as provided
8	in par. (am). This subdivision applies to applications under sub. (2), (4m), or (12) that
9	are filed on or after the effective date of this subdivision [LRB inserts date].
10	SECTION 7. 77.82 (1) (a) 2. of the statutes is amended to read:
11	77.82 (1) (a) 2. At least 80% of the parcel must be producing or capable of
12	producing a minimum of 20 cubic feet of merchantable timber per acre per year,
13	except as provided in sub. (1m).
14	SECTION 8. 77.82 (1) (b) 3. of the statutes is amended to read:
15	77.82 (1) (b) 3. A parcel that is developed for a human residence on which a
16	building is located.
17	SECTION 9. 77.82 (1) (bn) of the statutes is repealed.
18	SECTION 10. 77.82 (1m) of the statutes is created to read:
19	77.82 (1m) ELIGIBILITY; EXEMPTION. (a) The requirement under sub. (1) (a) 2. does
20	not apply to a parcel that has been damaged by a natural disaster if the department
21	determines that the natural disaster results in the parcel being unable to produce
22	merchantable timber in the required amount.
23	(b) An owner of managed forest land seeking an exemption under par. (a) shall
24	submit to the department a written statement requesting a determination as to
25	whether the exemption in par. (a) applies to the owner's parcel. The department

shall enter and inspect the site for purposes of making the determination. If the department determines that the exemption applies, the department shall establish a period of time during which the owner must restore the productivity of the parcel so that it meets the requirement under sub. (1) (a) 2. The department may promulgate a rule that establishes requirements for determining the time periods that will apply to such restoration.

SECTION 11. 77.82 (4) of the statutes is amended to read:

77.82 (4) Additions to managed forest land under an order that takes effect on or after April 28, 2004, may file an application with the department to designate as managed forest land an additional parcel of land if the additional parcel is at least 3 acres in size and is contiguous to any of that designated land. The application shall be accompanied by a nonrefundable \$20 application recording fee unless a different amount for the fee is established by the department by rule at an amount equal to the average expense to the department of recording an order issued under this subchapter. The fee shall be deposited in the conservation fund and credited to the appropriation under s. 20.370 (1) (cr). The application shall be filed on a department form and shall contain any additional information required by the department.

SECTION 12. 77.82 (4g) of the statutes is repealed.

SECTION 13. 77.83 (2) (d) of the statutes is created to read:

77.83 (2) (d) 1. An owner of managed forest land that is designated as open shall ensure that the public has access to that land for all of the purposes specified in par.

(a). The method of access and location of the access shall be equivalent to the method of access and the location of the access that is used by the owner of the land. If the

1	owner is unable to provide such access, the department shall modify the designation
2	of the land to which there is no public access from being open to being closed.
3	2. Notwithstanding subd. 1., an owner of a large parcel may request a waiver
4	to limit public access to a portion of the land that is designated as open. The
5	department shall grant the waiver if the department determines that it is necessary
6	to close that portion of land to public access for the purpose of timber harvesting,
7	thinning, and reforestation and other forest resource management activities.
	****NOTE: This is my initial attempt at drafting language to implement proposed revision #18.
8	SECTION 14. 77.87 (1g) (d) of the statutes is repealed.
9	SECTION 15. 77.874 of the statutes is created to read:
10	77.874 Buildings prohibited. Beginning on the effective date of this section
11	[LRB inserts date], no person may construct, reconstruct, remodel, or improve any
12	building that is located on land that is designated as managed forest land.
13	SECTION 16. 77.88 (2) (a) (title) of the statutes is created to read:
14	77.88 (2) (a) (title) Authority to transfer.
15	SECTION 17. 77.88 (2) (a) (intro.) of the statutes is renumbered 77.88 (2) (a) and
16	amended to read:
17	77.88 (2) (a) Except as provided in par. (am), an An owner may sell or otherwise
18	transfer ownership of all or part of the owner's managed forest land if the land
19	transferred is one of the following: parcel.
20	SECTION 18. 77.88 (2) (a) 1. of the statutes is renumbered 77.88 (3) (a) 1.
21	SECTION 19. 77.88 (2) (a) 2. of the statutes is renumbered 77.88 (3) (a) 2.
22	SECTION 20. 77.88 (2) (a) 3. of the statutes is renumbered 77.88 (3) (a) 3.

SECTION 21. 77.88 (2) (ac) (title) of the statutes is created to read:

1	77.88 (2) (ac) (title) Transferred land; requirements met.
2	SECTION 22. 77.88 (2) (am) (title) of the statutes is created to read:
3	77.88 (2) (am) (title) Transferred land; requirements not met.
4	SECTION 23. 77.88 (2) (b) of the statutes is amended to read:
5	77.88 (2) (b) Remaining land: requirements met. If the land remaining after
6	a transfer of part of a parcel under par. (a) is contiguous and meets the eligibility
7	requirements under s. 77.82 (1) (a) 2. and (b), it shall continue to be designated as
8	managed forest land until the expiration of the existing order, even if the parcel
9	contains less than 10 acres the minimum number of acres specified in s. 77.82 (1) (a)
10	1. or 1m. Notwithstanding s. 77.82 (12), an owner may not file an application with
11	the department for renewal of the order if the parcel contains less than 10 acres the
12	minimum number of acres specified in s. 77.82 (1) (a) 1. or 1m. No withdrawal tax
13	under sub. (5) or withdrawal fee under sub. (5m) may be assessed when the
14	remaining land is withdrawn at the expiration of the order.
15	SECTION 24. 77.88 (2) (c) of the statutes is amended to read:
16	77.88 (2) (c) Remaining land; requirements not met. If the land remaining land
17	after a transfer of part of a parcel under par. (a) does not meet the eligibility
18	requirements under s. 77.82 (1) (a) 2. and (b), the department shall issue an order
19	withdrawing the land and shall assess against the owner the withdrawal tax under
20	sub. (5) and the withdrawal fee under sub. (5m). Notwithstanding s. 77.90, the owner
21	is not entitled to a hearing on an order withdrawing land under this paragraph.
22	SECTION 25. 77.88 (2) (d) (title) of the statutes is created to read:
23	77.88 (2) (d) (title) Report by transferee; fee.
24	SECTION 26. 77.88 (2) (e) of the statutes is renumbered 77.88 (2) (ac) 1. and
2 5	amended to read:

77.88 (2) (ac) 1. The transferred If the land transferred under par. (a) meets the
eligibility requirements under s. 77.82 (1), the land shall remain managed forest
land if the transferee, within 30 days after the transfer, certifies to the department
an intent to comply with the existing management plan for the land and with any
amendments to the plan, and provides proof that each person holding any
encumbrance on the land agrees to the designation. The transferee may designate
an area of the transferred land closed to public access as provided under s. 77.83. The
department shall issue an order continuing the designation of the land as managed
forest land under the new ownership.
SECTION 27. 77.88 (2) (f) of the statutes is renumbered 77.88 (2) (ac) 2. and
amended to read:
77.88 (2) (ac) 2. If the transferee does not provide the department with the
certification required under par. (e) subd. 1., the department shall issue an order
withdrawing the land and shall assess against the transferee the withdrawal tax
under sub. (5) and the withdrawal fee under sub. (5m). Notwithstanding s. 77.90,
the transferee is not entitled to a hearing on an order withdrawing land under this
paragraph subdivision.
SECTION 28. 77.88 (3) (title) of the statutes is amended to read:
77.88 (3) (title) Voluntary withdrawal: Large parcels.
SECTION 29. 77.88 (3) of the statutes is renumbered 77.88 (3) (a) (intro.) and
amended to read:
77.88 (3) (a) (intro.) An owner may request that the department withdraw all
or any part of the owner's land meeting one of the requirements specified under sub.
(2) (a) 1. to 3. if the land is one of the following:

1	(b) If any remaining land meets the entire parcel will be withdrawn or if any
2	land that will remain after the withdrawal will continue to meet the eligibility
3	requirements under s. 77.82 (1), the department shall issue an order withdrawing
4	the land subject to the request and shall assess against the owner the withdrawal
5	tax under sub. (5) and the withdrawal fee under sub. (5m).
6	SECTION 30. 77.88 (3g) (title) of the statutes, as created by 2013 Wisconsin Act
7	20, is amended to read:
8	77.88 (3g) (title) Withdrawal for Voluntary withdrawal; construction of a
9	RESIDENCE.
10	SECTION 31. 77.88 (3g) (a) of the statutes, as created by 2013 Wisconsin Act 20,
11	is repealed.
	****NOTE: I repealed the definition of "parcel" in s. 77.88 (3g) (a). This definition applies only to that subsection. "Parcel" is not defined by statute for the purpose of the rest of the subchapter. Also, I think the definition does not quite work in this subsection since the term "parcel" is used in the context of withdrawing land subject to an order, as opposed to land that may have been described in the original application.
12	SECTION 32. 77.88 (3g) (am) (intro.) of the statutes, as created by 2013
13	Wisconsin Act 20, is amended to read:
14	77.88 (3g) (am) (intro.) Except as provided in par. (b), upon the request of an
15	owner to withdraw at least one acre of the owner's land as managed forest land, the
16	department shall order withdrawal of the land if all of the following apply:
17	SECTION 33. 77.88 (3g) (c) of the statutes is created to read:
18	77.88 (3g) (c) Upon issuance of an order of withdrawal under this subsection,
19	the department shall assess against the owner the withdrawal tax under sub. (5) and
20	the withdrawal fee under sub. (5m).
21	SECTION 34. 77.88 (3j) of the statutes is created to read:

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forest land during the term of the order.

withdrawal fee under sub. (5m).

1	77 00 (9:) Voyana a marina a m
1	77.88 (3j) Voluntary withdrawal; other construction; small land sales. (a)
2	Except as provided in par. (b), upon the request of an owner to withdraw part of a
3	parcel of the owner's land, the department shall order withdrawal of the land if all
4	of the following apply:
5	1. The purpose for which the owner requests that the department withdraw the
6	land is for the sale of the land or for a construction site, other than a construction site
7	for a human residence.
8	2. The land to be withdrawn is not less than 1.0 acres and not more than 5.0
9	acres. Partial acres may not be withdrawn.
10	3. If the land is subject to a city, village, town, or county zoning ordinance that
11	establishes a minimum acreage for ownership of land or for a building site, the owner
12	requests that the department withdraw not less than that minimum acreage.
	****Note: The language immediately above is an attempt to implement the concept that these withdrawals must "meet minimum zoning requirement." See proposed revision #5.
13	(b) 1. For land that is designated under an order with a term of 25 years, the
14	department may not order a withdrawal under par. (a) if the department has
15	previously ordered a withdrawal under par. (a) from that same parcel of managed
16	forest land during the term of the order.
17	2. For land that is managed forest land under an order with a term of 50 years,
18	the department may not order withdrawal under par. (a) if the department has
19	previously ordered 2 withdrawals under par. (a) from that same parcel of managed

(c) Upon issuance of an order of withdrawal under this subsection, the

department shall assess the owner the withdrawal tax under sub. (5) and the

1	SECTION 35. 77.88 (3k) of the statutes is created to read:
2	77.88 (3k) VOLUNTARY WITHDRAWAL; PRODUCTIVITY. Upon the request of an owner
3	to withdraw part of a parcel of the owner's land, the department shall issue an order
4	of withdrawal if the department determines that the parcel is unable to produce
5	merchantable timber in the amount required under s. 77.82 (1) (a) 2. The order shall
6	withdraw only the number of acres that is necessary for the parcel to resume its
7	ability to produce the required amount. No withdrawal tax under sub. (5) or
8	withdrawal fee under sub. (5m) may be assessed.
9	SECTION 36. 77.88 (5) (ab) 1. of the statutes is amended to read:
10	77.88 (5) (ab) 1. "Expanded order" means an order approved under s. 77.82 (8)
11	for which an application is filed under s. 77.82 (4g) (b), 2011 stats.
12	SECTION 37. 77.88 (5) (ab) 2. of the statutes is amended to read:
13	77.88 (5) (ab) 2. "Original order" means the order from which designated land
14	is withdrawn as authorized under s. 77.82 (4g) (b), 2011 stats.
15	SECTION 38. 77.88 (5m) of the statutes is amended to read:
16	77.88 (5m) WITHDRAWAL FEE. The withdrawal fee assessed by the department
17	under subs. (1) (c), (2) (ac) 2., (am), and (c), and (f), (3), (3) (b), (3g), (3j), and (3m) shall
18	be \$300.
19	SECTION 39. 77.88 (8) (b) of the statutes, as affected by 2013 Wisconsin Act 20,
20	is amended to read:
21	77.88 (8) (b) The department may not order withdrawal of land remaining after
2 2	a transfer of ownership is made under par. (a) 1., 2., or 3., after a lease is entered into
23	under par. (a) 3., or after the department orders withdrawal of land under sub. (3g)
24	(am) unless the remainder fails to meet the eligibility requirements under s. 77.82
25	(1).

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SECTION	40.	Initial	ap	plicability	y.
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(1) BUILDINGS. The treatment of section 77.82 (1) (b) 3. of the statutes first applies to initial applications, applications to convert forest croplands, and applications for renewals that are filed on the effective date of this subsection.

(END)